

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter, on the Commission's own)	
motion, to promulgate rules required by)	Case No. U-18360
MCL 484.2202(1)(c)(iv).)	
_____)	

At the July 12, 2017 meeting of the Michigan Public Service Commission in Lansing,
Michigan.

PRESENT: Hon. Sally A. Talberg, Chairman
Hon. Norman J. Saari, Commissioner
Hon. Rachael A. Eubanks, Commissioner

ORDER AND NOTICE OF HEARING

On April 11, 2017, the Commission sought permission from the Office of Regulatory Reinvention (ORR) to promulgate rules governing the obligations of providers of basic local exchange service that cease to provide the service. ORR approved the request on April 21, 2017, ORR# 2017-016 LR. The Commission submitted the draft rules to ORR and the Legislative Service Bureau (LSB) for informal approvals, which were granted on April 26, 2017, and June 12, 2017, respectively. The Regulatory Impact Statement was approved on June 12, 2017.

To provide the public with an opportunity to comment on the proposed rules, the Commission has scheduled a public hearing, which will be held at 9:00 a.m. on August 29, 2017, at 7109 W. Saginaw Hwy., Lansing, Michigan. Any person may attend the public hearing and may offer comments on the proposed adoption. The Commission encourages interested parties to become involved in the proceedings.

In addition, any person may submit written comments regarding the proposed rules. The comments should reference Case No. U-18360, and must be received no later than 5:00 p.m. on September 12, 2017. Address mailed comments to: Executive Secretary, Michigan Public Service Commission, P.O. Box 30221, Lansing, MI 48909. Electronic comments may be e-mailed to mpscdockets@michigan.gov. If you require assistance prior to filing, contact Commission staff at (517) 284-8090 or by e-mail at mpscdockets@michigan.gov. All information submitted to the Commission in this matter will become public information available on the Commission's website and subject to disclosure; and all comments will be filed in Case No. U-18360.

THEREFORE, IT IS ORDERED that:

A. A public hearing regarding the promulgation of rules governing the obligations of providers of basic local exchange service that cease to provide the service shall be held at 9:00 a.m. on August 29, 2017, at 7109 W. Saginaw Hwy., Lansing, Michigan. A notice of hearing is attached to this order as Exhibit A. A copy of the proposed rulemaking is attached to this order as Exhibit B.

B. The public hearing will be legislative in nature and any person may present data, views, questions, and arguments regarding the issue. Statements may be limited in duration by the presiding officer in order to ensure that all interested parties have an opportunity to participate in the proceedings. If necessary, the proceeding will continue on such dates as the presiding officer may schedule until all persons have had a reasonable opportunity to be heard.

C. Any person may file written comments, suggestions, data, views, questions, argument, and modifications concerning the issue. To be considered, all comments must be received at the Commission no later than 5:00 p.m. on September 12, 2017, and should reference Case No. U-18360.

The Commission reserves jurisdiction and may issue further orders as necessary.

MICHIGAN PUBLIC SERVICE COMMISSION

Sally A. Talberg, Chairman

Norman J. Saari, Commissioner

Rachael A. Eubanks, Commissioner

By its action of July 12, 2017.

Kavita Kale, Executive Secretary

**STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION**

**NOTICE OF HEARING
REGARDING THE ADOPTION OF ADMINISTRATIVE RULES
GOVERNING RESPONSIBILITIES OF PROVIDERS OF BASIC LOCAL EXCHANGE SERVICE
THAT CEASE TO PROVIDE THE SERVICE
CASE NO. U-18360; ORR #2017-016**

- The Michigan Public Service Commission is considering the adoption of rules governing the responsibilities of providers of basic local exchange service that cease to provide the service, which will be located at R 484.1001 to R 484.1009. The Commission will hold a public hearing to solicit comments from anyone who wishes to comment on the proposed rules.
- The information below describes how a person may participate in this case.
- You may contact the Michigan Public Service Commission, P.O. Box 30221, Lansing, Michigan 48909, (800) 292-9555 for a free copy of the proposed rules. Any person may review the rules on the Commission's E-Docket Website at michigan.gov/mpscedockets. The rules are published in the July 15, 2017 issue of the Michigan Register under ORR #2017-016, and may be accessed at the ORR website, www.michigan.gov/lara, under "Recent and Pending Rule Changes."
- The public hearing will be held:

DATE: August 29, 2017

TIME: 9:00 a.m.

LOCATION: 7109 W. Saginaw Hwy.
Lansing, Michigan

PARTICIPATION: Any interested person may attend and participate. The hearing site is accessible, including handicapped parking. People needing any accommodation to participate should contact the Commission's Executive Secretary at (517) 284-8090 at least a week in advance to request mobility, visual, hearing or other assistance.

This is a proposal to adopt rules that will govern the responsibilities of providers of basic local exchange service that cease to provide the service. The hearing will be for the purpose of providing an opportunity for all interested persons to present statements, views, data, questions, or arguments concerning the proposed rules. The public hearing will continue until all parties present have had a reasonable opportunity to present statements regarding the proposed rules. Persons presenting statements may be asked questions by the Commission and its Staff, as well as by the

presiding officer. Statements may be limited in duration by the presiding officer in order to ensure that all interested parties have an opportunity to participate in the proceedings.

Written and electronic comments may be filed with the Commission and must be received no later than 5:00 p.m. on September 12, 2017. Written comments should be sent to the: Executive Secretary, Michigan Public Service Commission, P.O. Box 30221, Lansing, Michigan 48909. Electronic comments may be e-mailed to mpscdockets@michigan.gov. If you require assistance, contact Commission staff at (517) 284-8090 or by e-mail at mpscdockets@michigan.gov. All information submitted to the Commission in this matter will become public information available on the Commission's website and subject to disclosure. All comments should reference Case No. U-18360. Please do not include information you wish to remain private.

Jurisdiction is pursuant to sections 202 and 213 of 1991 PA 179, MCL 484.2202 and 484.2213.

July 12, 2017
Lansing, Michigan

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

PUBLIC SERVICE COMMISSION

RESPONSIBILITIES OF PROVIDERS OF BASIC LOCAL EXCHANGE SERVICE THAT
CEASE TO PROVIDE THE SERVICE

Filed with the Secretary of State on

These rules take effect upon filing with the Secretary of State.

(By authority conferred on the public service commission by sections 202 and 213 of 1991 PA 179, MCL 484.2202 and 484.2213)

R 484.1001, R 484.1002, R 484.1003, R 484.1004, R 484.1005, R 484.1006, R 484.1007, R 484.1008, and R 484.1009 are added to the Michigan Administrative Code as follows:

PART 1. GENERAL PROVISIONS

R 484.1001 Applicability.

Rule 1. These rules apply to providers of basic local exchange service that cease to provide service to any segment of end users or geographic area, go out of business, or withdraw from the state, including the transfer of customers to other providers and the reclaiming of unused telephone numbers.

R 484.1002 Definitions.

Rule 2. (1) As used in these rules:

(a) "Act" means the Michigan telecommunications act, 1991 PA 179, MCL 484.2102 to 484.2601.

(b) "Commission" means the Michigan public service commission.

(c) "Customer" means the person or legal entity that is the end subscriber of the retail telecommunications service.

(d) "License" means a license to provide basic local exchange service issued pursuant to the act.

(e) "Provider" means a person, firm, partnership, corporation, or other entity that provides retail basic local exchange service as defined by section 102(b) of the act.

(f) "Reclamation" means the process of removing active and non-active telephone numbers from the inventory of a provider that ceases to provide basic local exchange service.

(g) "Wholesale provider" means a person, firm, partnership, corporation, or other entity that provides a resale or local wholesale basic local exchange service product to a provider.

(2) A term defined in the act that is not defined in this rule has the same meaning when used in these rules.

R 484.1003 Expiration.

Rule 3. These rules expire 3 years from the effective date of the rules. The commission may, prior to the expiration of the rules, promulgate new rules.

PART 2. RESPONSIBILITIES OF PROVIDERS AND WHOLESALE PROVIDERS INVOLVED IN A DISCONNECTION DISPUTE

R 484.1004 Attempt at resolution.

Rule 4. In the case of a billing dispute between a provider and a wholesale provider, the parties shall make a good faith effort to work with each other to determine what portion, if any, of the bill for resale or the purchase of a local wholesale product provided by the wholesale provider to the provider is disputed and which portion is undisputed. The wholesale provider shall work with the provider to resolve the billing dispute and arrange for payment of the undisputed charges, pursuant to the agreement between the wholesale provider and the provider.

R 484.1005 Notification of discontinuance.

Rule 5. (1) When the wholesale provider plans to disconnect a service that will make the provider unable to furnish basic local exchange service to its customers due to a dispute concerning resale or the purchase of a local wholesale product, the wholesale provider shall notify the commission and the provider of this disconnection in writing not less than 45 days from the date of the impending disconnect.

(2) Notice required under subrule (1) of this rule must include, to the extent known by the wholesale provider, but not be limited to, all of the following:

- (a) The name, address, and account number or numbers of the provider.
- (b) The number and type of customers to be disconnected.
- (c) An indication whether the wholesale provider is furnishing resale service or a local wholesale product.
- (d) The reason for the disconnection.
- (e) A statement or citation describing where the right to disconnect or deny service is found, such as in an interconnection agreement or other contract.
- (f) If the dispute is related to billing and charges, an estimate of the charges owed and amounts of those charges that are disputed and undisputed and the amount required to be repaid to avoid disruption of services.
- (g) The date and time, or range of dates and times, when the wholesale provider intends to discontinue the service.

(3) The wholesale provider shall notify the commission within 1 business day if the notice to discontinue service to the provider has been modified or withdrawn.

(4) Within 10 business days of receiving notice from the wholesale provider, the provider shall notify all of its affected customers, the governor of the state of Michigan, and the commission of the discontinuance of service pursuant to 47 C.F.R. §63.71 (2016) and any other federal rules applicable to discontinuance of basic local exchange service. Notice to the commission must include both of the following:

- (a) A statement of the company's prospective intent for the disposition of its license and any tariffs on file with the commission.
- (b) A list of customers being served by the provider that may be affected by the discontinuance of service, which shall include billing name, billing address, and service telephone number. For non-published numbers, only the NPA-NXX must be provided. The list must also identify end users of the provider that are public utilities, governmental agencies, schools, or medical facilities.

(5) These rules do not relieve a provider from any obligations it has under section 313 of the act, MCL 484.2313.

(6) The provider shall contact the commission to provide periodic updates of the status of the disconnection and transition of its customers as requested by commission staff.

(7) The provider shall return all deposits to customers and shall apply all appropriate credits to customer accounts associated with the discontinued service within 30 days of the discontinuance.

R 484.1006 Notification of transfer of customer base.

Rule 6. (1) A provider that is acquiring all or part of a customer base from another provider shall comply with the transfer of customer base notice requirements as set forth in 47 C.F.R. 64.1120(e) (2008) and any other state and federal rules applicable to the transfer of all or part of a customer base. The provider shall submit a copy of this notice to the commission at the same time as it files its application with the federal communications commission.

(2) Notice to the commission must include both of the following:

(a) A statement of the prospective intent for the disposition of the license and any tariff of the company that is transferring its customer base.

(b) The number and type of customers affected by the transfer.

(3) If the commission considers it necessary to protect the public interest, it may institute a longer period of time for the transition of a customer base to another provider, but not to exceed 60 days in length.

R 484.1007 Reclamation of telephone numbers.

Rule 7. (1) Inactive telephone numbers of a provider that ceases to provide service are considered abandoned.

(2) The provider ceasing to provide service shall contact the North American numbering plan administrator, the national number pool administrator, and the national portability administration center regarding the NPA-NXX-Xs affected by the discontinuation of service.

(3) The commission staff shall work with the North American numbering plan administrator, the national number pool administrator, and the national portability administration center to assist in the reclamation of numbering resources.

R 484.1008 Resolution of disputes between providers.

Rule 8. If a provider disputes disconnection by another provider, the providers shall follow the appropriate procedures for resolution as set forth in their interconnection agreement and may apply to the commission for resolution as allowable under the act.

PART 3. REMEDIES

R 484.1009 Remedies.

Rule 9. Violation of these rules may result in penalties issued under section 601 of the act, MCL 484.2601, including, but not limited to, revocation of a license to provide basic local exchange service.